

DD/A Registry  
File Pers-11

DD/A Registry  
78-0898/5

Executive Registry  
78-8548/4

15 AUG 1978

*File SJ*

22 AUG 1978

MEMORANDUM FOR: Director of Central Intelligence  
VIA : Deputy Director of Central Intelligence  
FROM : John F. Blake  
Deputy Director for Administration  
SUBJECT : Day Care Employee Survey

STATINTL

1. Action Requested: None. This memorandum contains a status report on the Day Care Employee Survey and is for your information only.

2. Background: As a result of the Day Care Study it was determined that we should conduct an employee survey in order to ascertain the interest of CIA employees in a day care center and the extent to which they will commit themselves in the terms of support. At your suggestion that we consider [redacted] or some professional to advise on the survey, the Day Care Committee met with [redacted], the president of that organization. [redacted] estimated a cost of \$10,080 to conduct the survey. He planned to assign [redacted] as team leader of this project and we learned that she is a foreign national. Although [redacted] has established and operated day care centers, he has never before conducted surveys or worked on a classified project.

Contact was also made with representatives of Federal departments that have day care centers in order to benefit from their experience with employee surveys. Mrs. Ruth Nadel of the Department of Labor was particularly helpful because of the information she had gathered as the coordinator of the Alliance for Child Care in Federal Agencies which is a working group with members from 65 Federal departments and agencies. From these sources, we learned that many organizations have conducted their own surveys. None of the individuals contacted had used an external party for this purpose and they were not aware of a contractor with experience in this field.

STATINTL

STATINTL

Approved For Release 2002/01/24 : CIA-RDP81-00142R000500040007-9

STATINTL

The use of an outside contractor to conduct and analyze the intended survey would require security clearance of non-Agency personnel. In the case of [REDACTED] it is not likely that she could be cleared. Furthermore, we believe that because [REDACTED] has had no experience in such undertaking, there is no particular advantage in engaging the services of that organization. On the other hand, the proven experience of other departments and agencies in conducting day care surveys using their own resources led us to conclude that we have every prospect for similar success utilizing our internal resources.

Our Office of Personnel Plans Staff and Office of Medical Services Psychological Services Staff have had considerable experience in conducting employee surveys, and we are confident that using the advice and sample questionnaires provided us by the other departments and agencies, we will be successful in planning and conducting a Day Care survey using our "in house" capabilities. The Day Care Committee has prepared a survey form. The CIA Federal Women's Program Board, Secretarial/Clerical MAG and Office of Equal Employment Opportunity have participated in the revision of the form and indicated their acceptance of this approach. We believe we have all the ingredients for a successful survey and are moving ahead with plans to distribute the attached form on a random sample basis to 800 employees.

/s/ John F. Blake

STATINTL

John F. Blake

Attachment

Distribution:

- 0 - Addressee
- 1 - DDCI
- 1 - ER
- ~~2~~ - DDA
- 1 - D/Pers
- 2 - C/BSD (1 w/h)

ORIGINATOR:

Director of Personnel  
11 AUG 1978

OP/BSD [REDACTED]:mem (11 Aug 78)

Approved For Release 2002/01/24 : CIA-RDP81-00142R000500040007-9

DAY CARE CENTER

EMPLOYEE SURVEY

The Director has held a series of meetings with employee groups and encouraged the presentation of suggestions and ideas. A group of secretarial-clerical employees recommended that the Agency consider the feasibility of establishing a day care center for the children of our employees. The CIA Federal Women's Program Board also discussed this subject with him. The Director agreed to explore this matter and a CIA Day Care Committee was formed to conduct the study.

The Committee found that several Federal agencies have day care centers operating in their buildings. Many of these centers were started as research or demonstration projects. In the beginning full funding was provided by the Government to show how a center could operate and to encourage the development of day care center programs by private employers and state governments. These Federal centers have now been turned over to parent groups who charge fees of from \$25 to \$40 per week to meet staff and operating costs. They receive rent-free space.

Last December, the Office of Management and Budget (OMB) issued a draft circular on the assignment of Federally-controlled space which contained a provision requiring the Government to charge day care centers for the full cost of space, utilities, renovation and equipment. The existing centers will face considerable financial difficulty if this provision is adopted because of the high rental cost of the space. Opposition to this proposal developed and a final decision has been deferred until the subject can be thoroughly reviewed.

Although the final OMB decision will have considerable impact on the possibility of establishing a day care center, the CIA Day Care Committee reported to the Director that a CIA center is feasible provided there is a demonstrated need, strong employee interest and commitment. An employee survey is necessary to determine whether this is the case and to develop information about the number of potential enrollees, the willingness of individuals to participate as volunteers in organizing and directing such an activity, and the ability of employees to financially support a center. The survey is intended to develop such information and will form the primary basis for recommendations to the Director regarding possible future action on a CIA Day Care Center.

EMPLOYEE SURVEY

You have been selected on a random basis to participate in an employee survey. Attached is background information regarding this program. While the topic may not be of personal interest to you, your participation is essential to the success of the survey. Please complete this form, fold, staple and return to Chief, Benefits and Services Division, Office of Personnel, Room 5 E 56, Headquarters, no later than

- 
1. In order to determine some of the characteristics of survey participants, please indicate your:

Age: 25 or below \_\_\_\_\_ 26-34 \_\_\_\_\_ 35-44 \_\_\_\_\_ 45 or above \_\_\_\_\_

Marital Status: Married \_\_\_\_\_ Single \_\_\_\_\_ Divorced \_\_\_\_\_

2. In what location do you work?

Headquarters \_\_\_\_\_ Rosslyn \_\_\_\_\_ Other (specify) \_\_\_\_\_

3. Do you believe that the establishment of a CIA Day Care Center is necessary in order to meet such requirements as the retention of employees, improved work attendance, EEO responsibilities, enhanced morale and recruitment?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Would you be willing to participate in the development of specific proposals and program recommendations for a CIA Day Care Center?  
(If your answer is yes, please call Chief, BSD, x4078.)

Yes \_\_\_\_\_ No \_\_\_\_\_

Serve as a Board member? Yes \_\_\_\_\_ No \_\_\_\_\_

Serve on a committee? Yes \_\_\_\_\_ No \_\_\_\_\_

5. Within the next five years, do you expect to require the services of a child care center for pre-school age children?

Yes \_\_\_\_\_ No \_\_\_\_\_

6. Do you have dependent children living with you?

Yes \_\_\_\_\_ No \_\_\_\_\_

-----  
If your answer to question 6 is 'no', you may stop here.  
-----

7. Number of children living with you:

Under 3 years \_\_\_\_\_ 3-5 years \_\_\_\_\_ 6-13 years \_\_\_\_\_

8. Have you had problems in obtaining suitable day care for your children?

Yes \_\_\_\_\_ No \_\_\_\_\_

9. Are you in a cover status now, or is it likely that you will be under cover in the future?

Yes \_\_\_\_\_ No \_\_\_\_\_

-----  
If a CIA Day Care Center is established, it is likely that the initial program will be for children ages 3-5. Infant care, after school programs for older children and summer programs for older children require considerable additional expenditures and can normally be undertaken only by a center that is in successful operation. The remaining questions apply only to those with children under 6 years of age.  
-----

10. Would you describe your present child care arrangement as:

Satisfactory - would not change \_\_\_\_\_

Satisfactory - would consider change \_\_\_\_\_

Barely adequate - will probably change \_\_\_\_\_

Unsatisfactory - need to change \_\_\_\_\_

11. If a day care center - open weekdays from 7:30 a.m. to 6 p.m. - was opened near the Headquarters Building within the next two years, would you be interested in enrolling your child or children?

Yes \_\_\_\_\_ No \_\_\_\_\_

12. What is the approximate total annual taxable income of your family?

Less than \$8,000 \_\_\_\_\_ \$16,000 - \$21,999 \_\_\_\_\_

\$8,000 - \$11,999 \_\_\_\_\_ \$22,000 - \$29,999 \_\_\_\_\_

\$12,000 - \$15,999 \_\_\_\_\_ \$30,000 - over \_\_\_\_\_

13. Recognizing that fees would be maintained at the lowest level possible that is consistent with operating costs, what is the maximum weekly tuition you would be willing and able to pay per child for a quality child care program operated weekdays from 7:30 a.m. to 6 p.m.?

Under \$10 \_\_\_\_\_ \$31 - \$40 \_\_\_\_\_

\$10 - \$20 \_\_\_\_\_ \$41 - \$50 \_\_\_\_\_

\$21 - \$30 \_\_\_\_\_

**ROUTING AND RECORD SHEET**

SUBJECT: (Optional)  
DAY CARE EMPLOYEE SURVEY

FROM: F. W. M. Janney  
 Director of Personnel  
 [REDACTED]

EXTENSION: [REDACTED]  
 NO. [REDACTED]

DATE: 11 AUG 1978

TO: (Officer designation, room number, and building)

	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		

1. EXO/DDA [REDACTED]		8/14/78	[Signature]	Attached for your signature is a status report to the DCI regarding the Day Care Center.
2. Associate DDA [REDACTED]		15 AUG 1978	[Signature]	
3. Deputy Director for Administration [REDACTED]		15 AUG 1978	[Signature]	
4.				
5.				
6.				
7.				
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9.				
10.				
11.				
12.				
13.				
14.				
15.				

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

UNCLASSIFIED Approved For Release 2002/01/24 : CIA-RDP81-00142R000500040007-9

### OFFICIAL ROUTING SLIP

DD/A Registry  
File Personnel-11

TO	NAME AND ADDRESS	DATE	INITIALS
1	Fred Jamney D/Pers		
2	[REDACTED]		
3			
4			
5			
6			

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ACTION	DIRECT REPLY	PREPARE REPLY	
APPROVAL	DISPATCH	RECOMMENDATION	
COMMENT	FILE	RETURN	
CONCURRENCE	INFORMATION	SIGNATURE	

ATTN: DDA 78-0898/4-15

Remarks:

Please redo the letter to DCI as a status report. We will inform him of the contact with [REDACTED] but for reasons stated in the memo have decided to go in-house. Then let's go

STATINTL

STATINTL

DD/A Registry  
78-0898

FOLD HERE TO RETURN TO SENDER

FR	NO.	DATE
[REDACTED]	[REDACTED]	[REDACTED]
UNCLASSIFIED	CONFIDENTIAL	SECRET

STATINTL

FORM NO. 1-67 237 Use previous editions

(40)

"Please redo the letter to DCI as a status report. We will inform him of the contact with [REDACTED] but for reasons stated in the memo have decided to go in-house. Then let's go. /s/Jack Blake"

DDA:JFBlake:kmg (8 Aug 78)

Distribution:

Orig RS - D/Pers w/Orig of DDA 78-0898/4 & 0&5 of DDA 78-0898/5

- 1 - DDA Approved For Release 2002/01/24 : CIA-RDP81-00142R000500040007-9
- 1 - DDA Chrono
- 1 - JFB Chrono

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

CIA Day Care Center Study

ER 78 8548/3

FROM: F. W. M. Janney  
Director of Personnel  
Headquarters

EXTENSION NO.  
DATE

78-1622  
25 MAY 1978

TO: (Officer designation, room number, and building)

DATE RECEIVED FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. EO/DDA  
[Redacted]

5/25

[Initials]

DD/A Registry  
File Personnel #  
FYI

2. A/DDA  
[Redacted]

25 MAY 1978

[Initials]

3. Deputy Director for Administration  
[Redacted]

26 MAY 1978

[Initials]

4. Deputy Director of Central Intelligence  
[Redacted]

30 MAY 1978

[Initials]

for FYE. I initiated the SMO effect in this area. If we are to use appropriated funds to grant benefits to selected groups of employees then it should be done in the budget.

5. Director of Central Intelligence  
[Redacted]

31 MAY 1978

[Initials]

6. [Redacted]

31 MAY 78

[Initials]

7. DES

31 MAY 78

[Initials]

8. [Redacted]

9. EO/DDA

6/1/78

[Initials]

10. A/DDA

1 JUN 1978

[Initials]

NOTE RE: SEE NOTE ABOVE!

11. DDA

1 JUN 1978

[Initials]

12. D/Pers

13. [Redacted]

14. [Redacted]

15. [Redacted]

Great  
[Signature]

78-1622

25 MAY 1978

DD/A Registry  
78-0898/3

DD/A Registry  
File *Personnel-11*

MEMORANDUM FOR: Director of Central Intelligence  
VIA : Deputy Director for Administration  
FROM : F. W. M. Janney  
Director of Personnel  
SUBJECT : Day Care Center

1. Action Requested: None. This memorandum is for your information only.

2. Background: On 19 December 1977 the Office of Management and Budget (OMB) issued a memorandum which asked the Heads of Executive Departments and Agencies to review and comment on a proposed OMB Circular containing policies for controlling the assignment of Federal real property to non-Federal activities. Among the activities most seriously affected by this proposal are the day care centers in Federal buildings. These centers are receiving free space, utilities and maintenance. The proposed new policy would require agencies to recover these costs and would cause most of the centers to close. Considerable opposition to this provision was reported from various employee groups and OMB decided to hold a public hearing on 9 May 1978. The Chairman of the CIA Day Care Center Committee attended this hearing.

When the OMB spokesman opened the hearing he indicated that the reaction to their proposal from a variety of interest groups has been overwhelming. He emphasized that no final position will be taken until they have good answers for a lot of tough questions. Among these questions was: "How do we accommodate other Federal employees who do not today have day care services?" There are 74,000 Federal installations and total demand could approximate 80,000 children at an annual cost of \$62 million, not counting start-up costs.

There were 37 witnesses who requested time to speak at the hearing and all were in favor of continued Federal support of the day care centers through provision of rent-free space and initial assistance in establishing the centers. The attendees were in general agreement that parents should pay a fee for children placed in these centers and there should be a sliding scale depending upon income and ability to pay.

STATINTL

We obtained a copy of a child care survey conducted at the Social Security Administration Headquarters in Baltimore and it should prove valuable in our preparations for an employee survey. A meeting was held with [REDACTED] on 5 May and we are awaiting a proposal of services they could provide. The Chairman of the Day Care Committee has also met with the Agency's Women's Board to bring them up to date.

(Signed) F. W. M. Janney

F. W. M. Janney

Distribution:

- 0 - Addressee
- 1 - DDCI
- 1 - ER
- ~~2~~ - DDA
- 1 - D/Pers
- 2 - C/BSD/OP (1 w/h)

OP/BSD, [REDACTED] mem (23 May 78)

STATINTL



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DD/A Registry  
77-6548

DEC 19 1977

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

Subject: Proposed Real Property Assignment Circular

Attached for your review and comment is a proposed Office of Management and Budget Circular containing policies for controlling the assignment of Federal real property to non-Federal activities.

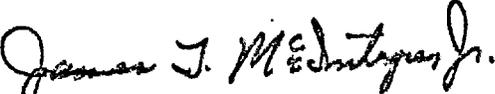
Policies contained in the proposed circular provide guidance for assigning Federal real property to the following categories of non-Federal users:

1. Activities that provide services to Federal employees such as cafeterias, employee recreation associations, credit unions, blind stands, and child day care centers.
2. General commercial organizations, e.g., banks, retail stores, and Government contractors.
3. Service and non-profit organizations, e.g., veterans service organizations, State and local governments and national voluntary action programs.

The practices followed by agencies in assigning Federal real property (generally office space) to the above users vary greatly. Some agencies require non-Federal occupants to pay rent while other agencies provide free space. In some instances agencies subsidize day care centers, shopping and other services for their employees while neighboring agencies refrain from such activities. In essence, each agency is making its own policy, and serious conflicts and inconsistencies have developed.

The proposed circular will standardize non-Federal space assignment practices among all agencies. The circular basically requires non-Federal activities that are not exempt by specific statute, to pay equivalent commercial rents for the use of Federal space. Exceptions to the paying policy are permitted only under specific circumstances. Such exceptions have been kept to a minimum in line with the President's goal to balance the budget and improve the efficiency and effectiveness of Government administration.

Your cooperation in providing any comments you have on the proposed Circular by February 20, 1978 will be appreciated. Questions regarding the Circular may be directed to Mr. Charles W. Clark, Office of Federal Procurement Policy, Office of Management and Budget at 395-6194.

  
James T. McIntyre  
Acting Director

Attachment

DD/A Registry  
File Personnel-11

DDA 78-0898/2

9 March 1978

STATINTL

MEMORANDUM FOR: [REDACTED]  
Chairman, Day Care Committee

VIA: Acting Director of Personnel

FROM: John F. Blake  
Deputy Director for Administration

Ernie:

1. I have just read your memo of 2 March to me on the subject of a "CIA Day Care Center Study." In forwarding this package to the Director, I have referred to this undertaking as a first class "administrative research" job. It is fully responsive to the questions raised by him to the Deputy Director of Personnel on 21 December.

2. It is my experience that all too often the investment of excessive time to respond to requests goes unnoticed. In this particular case you and your colleagues have turned out a piece of work of which you may be proud. I would appreciate it if you would share my thoughts on this matter with your participating colleagues.

/s/ Jack Blake

John F. Blake

Distribution:

Orig - Adse via AD/Pers  
2 - DDA (Subj) Chrono  
1 - JFB Chrono  
DA:JFBBlake:kmg (9 Mar 78)

Day Care Study

John F. Blake  
Deputy Director for Administration

9 March 1978

25X1A

25X1A

Director of Central  
Intelligence

Sir:

It is a pleasure to forward to you what I believe to be a first class "administrative research" job on the matter of the day care center. I would urge that you take the time to read the memo addressed to me which is attached to my memo to you. The former memo is fully responsive to the questions you raised by memo of 21 December to the Office of Personnel (attached at Tab E).

If you approve the operating plan submitted, then I will take it over and proceed on from there.

/s/ Jack

John F. Blake

Atts

Distribution:

Orig RS - DCI  
1 - DDCI  
1 - ER  
~~2~~ - DDA Subj Chrono  
1 - JFB Chrono

DDA:JFBBlake:kmg (9 Mar 78)  
Atts: Memo dtd 2 Mar 78 to DDA via D/Pers,  
fr Chmn, DCC, subj: CIA Day Care Center  
Study (DDA 78-0898)  
Memo dtd 9 Mar 78 to DCI fr DDA,  
subj: Day Care Centers (DDA 78-0898/1)

25X1A

Approved For Release 2002/01/24 : CIA-RDP81-00142R000500040007-9

9 MAR 1978

DD/A Registry

78-0898/1

MEMORANDUM FOR: Director of Central Intelligence

FROM: John F. Blake  
Deputy Director for Administration

SUBJECT: Day Care Centers

1. Action Requested. None. The purpose of this memorandum is to bring you up to date on our activities in regard to a day care center at CIA.

2. Background. We have made a study of the experiences with day care centers elsewhere in the Federal Government and have examined the feasibility of such an activity here at CIA. The results of our investigations are described in detail in the attached report but we sum them up generally in this memorandum for your information.

There are seven day care centers in operation within the Federal Government in this area. They have received support from appropriated funds as the result of varying degrees of assistance extended by their parent agencies or departments; such assistance has generally been in the form of space, equipment and services. The primary purpose of such support has been to enable the day care centers to develop to the point at which they could be operated by the participating employees and thus be made self-sustaining. A Circular instruction proposed in December 1977 by the OMB would require, if it becomes effective, that day care centers (and other supported activities) reimburse the Government for all support (space, equipment, services, etc.) provided.

The seven day care centers now in existence were established in prior years at a time when there was no clear public policy on this subject. President Carter, however, stated publicly in 1977 that he is not in favor of providing day care centers for Federal employees. It is not clear if the President is opposed to the establishment of day care centers in Federal agencies if the centers are completely self-sustaining.

3. Staff Position. Regardless of the cautionary observations offered above, we believe the Agency should pursue the possibility of establishing a day care center from appropriated funds with the expectation that the participating employees would reimburse the Government for all expenses when it became fully operational. We would plan to sound out OMB on such proposal.

First, however, we must have a clear understanding of what a day care center will mean in CIA and what precisely will be proposed. The term day care center is applied loosely, and can cover merely baby-sitting arrangements or organized classes and recreation for pre-school age children, and a variety of arrangements in between.

We plan, therefore, to ascertain the interest of CIA employees in a day care center and the extent to which they will commit themselves in terms of support. Whether we are successful in securing legislative approval to use Government support as a starter for the effort or the project is self-initiated and self-sustained by Agency employees, we should realize that there needs to be unequivocal and strong, if not actually heavy, financial support from participating employees. The steps to be taken to ascertain the interest and commitment of employees are described in the attached report.

When we have identified that our employees indeed want a day care center, have defined the type center they want and have ascertained the extent of participation, we shall have the information necessary to prepare our recommendations to you.

/s/John F. Blake

John F. Blake

Att

Distribution:

0-ret to D/Pers  
1-DDCI  
1-ER  
~~2~~ DDA (1 w/h)  
1-D/Pers  
1-C/BSD/OP

Originator:

(Signed) John F. Blake  
Director of Personnel

3 MAR 1978

OP/DD/Pers/SP: [REDACTED] jk (3-2-78)

STATINTL

ROUTING AND RECORD SHEET

Approved For Release 2002/01/24 : CIA-RDP81-00142R000500040007-9

SUBJECT: (Optional)

Day Care Study

FROM:

John F. Blake  
Deputy Director for Administration

EXTENSION

NO.

*FBI*

DATE

9 March 1978

25X1A

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED

FORWARDED

Executive Registry

78-8548/1

1. Director of Central Intelligence

13 MAR 1978  
*[Signature]*

Sir:

It is a pleasure to forward to you what I believe to be a first class "administrative research" job on the matter of the day care center. I would urge that you take the time to read the memo addressed to me which is attached to my memo to you. The former memo is fully responsive to the questions you raised by memo of 21 December to the Office of Personnel (attached at Tab E).

If you approve the operating plan submitted, then I will take it over and proceed on from there.

YES   
NO

John F. Blake

Atts

Distribution:

- Orig RS - DCI
- 1 - DDCI
- 13 MAR 1978 - ER
- 2 - DDA

Executive Registry

78-8548/3

*Fine - I'd suggest that we get Charles Ford on some professional advice on how to do the survey*  
*[Signature]*

STATINTL

*[Signature]*

25X1A

25X1A

*EO/DDA*

*A/DDA (seen)*

*D/PERS*

DD/A Registry  
78 0898

STATINTL

2 MAR 1978

MEMORANDUM FOR: Deputy Director for Administration  
VIA : Director of Personnel  
FROM : [REDACTED]  
Chairman, Day Care Committee  
SUBJECT : CIA Day Care Center Study

1. Action Requested: This memorandum contains information regarding the operation of day care centers in Federal agencies and presents recommendations in paragraph 4 for further action.

2. Background: The first study by our Agency of the day care center situation was initiated in January 1972 (Tab A). At that time the best known Federal day care centers were those of the Department of Labor (DOL) and Health, Education and Welfare (HEW). These Departments supplied rent-free space, equipment and substantial appropriated funds which were supplemented by fees assessed parents using the centers. Both programs were established as demonstration and research projects in connection with responsibilities of those Departments in the areas of the U. S. work force and social security.

Legislation that would have provided authority for all agencies and departments to establish centers to meet the specific needs of their own employees was vetoed by the President in December 1971. By the time the Agency had completed its study of day care centers, in May 1972, the Office of Management and Budget (OMB) had made it quite clear to several departments that it would not support requests for the funding of Federal day care centers. Action was deferred by the Agency pending a change in public policy. This Agency has not taken any further action on the subject since the original study was completed.

The most significant policy statement since then was made by President Carter on 16 February 1977 during a question and answer session with HEW employees. The question was, "Does your administration favor the Federal funding of day care centers for Federal employees?" The answer was, "I think that I would

have to answer no. I don't see why we should single out Federal employees as the only group in the Nation who would uniquely be provided with day care services. I think Federal employees ought to be treated the same as other employees in private life." (Tab B).

A representative group of secretarial-clerical employees met with the Director in October 1977. Among the items raised by the group was the establishment of a day care center for the use of Agency personnel. They pointed out that at least seven Federal agencies have centers. These included two in HEW; the DOL center; two smaller centers in suburban locations of Agriculture (Beltsville) and the National Aeronautics and Space Administration (Goddard Space Center); one at the National Institutes of Health (NIH) which opened in 1973 and is described later in this report; and a baby-sitting service which is operated by the National Security Agency at Fort Meade. It is the belief of the group that existing commercial facilities are inadequate and they made several recommendations as to possible solutions (Tab C). We have been asked to develop an appropriate response which includes a summary of the pro and con views, experience of other Federal agencies and our recommendations.

A committee was formed in November 1977 to conduct the current study and a report of its initial work was made on 5 December 1977 (Tab D). The Director made the following comments in response to that report (Tab E):

- The study should not falter on the lack of authority to use appropriated funds.
- The question of constructing a small building on the grounds should be explored.
- It might be worth our effort to see whether a commercial day care center organization would be willing to take a survey to see if we could make such a thing pay.
- Once we determine that it's at all feasible, the big question is what number of customers we would have and hence whether we could make it attractive financially to those who would use it.

The history of day care centers in Federal agencies has gone through three stages. First there were the developmental centers of HEW and Labor that were financed primarily from appropriated funds as demonstration projects. Then during the 92nd

Congress a bill was passed containing specific provision for Federal Government Child Development Programs which would have included day care centers for Federal agencies. This bill was vetoed in December 1971 but it gave considerable impetus to the interest in day care centers. The third stage has seen the operation of existing centers turned over to parent groups that are considered self-sustaining but in fact have been provided such subsidies as equipment, space, utilities, maintenance and "seed" or developmental funds. One new center for the Department of Housing and Urban Development (HUD) was approved during 1976 in specific legislation under this new concept.

In December 1977, a draft circular on the Assignment of Federally-Controlled Real Property to non-Federal Activities was distributed by OMB (Tab F). This proposed circular contains a provision that would require the Government to recapture from the users the full cost of day care centers established in Federal space. Costs to be recovered include the value of the space, amounts expended for alterations and renovations, equipment, furniture, supplies, utilities, maintenance and custodial services, and staffing. Comments were requested by 20 February 1978. There is considerable opposition to this circular because of its impact on day care centers, cafeterias and a variety of employee services. If the draft circular becomes Federal policy, a new stage in the history of these centers will begin. It appears likely to those working with the day care centers in Federal agencies that they would have to close because the high cost of this space would require excessive payments by the parents. In any event, the circular represents a point of view that considers it inappropriate for the Federal government to provide or subsidize day care centers for its employees.

Those who favor Federal day care centers point to the success and value of existing centers and to Congressional intent as reflected in legislation such as that which authorized HEW to provide space for this purpose. There are two HEW day care centers that were initially established and operated by HEW as demonstration projects and are now operated by parent groups. Space, utilities and maintenance are provided free by HEW as a result of specific legislation passed in 1976. Classroom and playground equipment were also made available when the demonstration projects were completed and the parents assumed responsibility for the operation of the existing programs (Tab G).

While the National Institutes of Health (NIH) is part of HEW, their day care center was established in a different manner. Strong employee interest led to the appointment of a Child Development Committee and to the hiring in December 1971 of Miss Virginia Burke as a consultant. Miss Burke is assigned

to the Equal Employment Office but devotes full time to day care matters. She met with interested groups and provided the organizing force in putting a program together. Classroom space in an NIH building was provided at a cost of \$3,640 rent for the first year. Renovation of the space was done by NIH at a cost of \$50,000. Arrangements were made with a private company, Educational Systems, to operate the center and it opened on June 18, 1973 with 18 students. The parents took over the operation in March 1975 and HEW legislation made it rent-free in 1976. Parents pay an average of \$42.50 per week, which covers a majority of the operating costs. Fund raising projects make up the difference but the budget is always very tight. The actual rental charge for their space would be approximately \$28,000 a year under the draft OMB circular and Miss Burke does not believe their center could continue to operate under those circumstances (Tab H).

The Department of Labor (DOL) recently moved into a new Headquarters building and opened a new day care center on 11 October 1977. Their center is now operated by a parent group which has received \$150,000 in "seed" money from DOL to put it into operation, schoolroom equipment from the old DOL center and rent-free space. The current charge is \$25 a month which is not representative of the cost of the service provided. An actual space charge for the center would be approximately \$66,000 a year and this is considered prohibitive to their continued operation (Tab I).

A summary of current information on the other four centers is attached (Tab J). One of these, the Department of Housing and Urban Development (HUD), is about to open its center in the basement of their building. This center has been developed as a result of strong employee interest and the efforts of several groups including the Women's Caucus and an employee union. A nonprofit employee corporation was formed to aid in the development and eventual operation of the center. Legislation was passed in 1976 to clarify the authority of HUD to convert, equip and maintain the space with the intent that the program be operated on a self-sustaining basis. HUD has paid for the renovation of the space and is providing necessary equipment. There will be no charge for space, utilities or maintenance; however, the center will have to reimburse for equipment over a ten year period (Tab K).

There are private consulting firms that have worked with other Federal agencies in helping to plan and implement day care centers. An organization called Children First worked with the Department of Labor on their first center and operated it

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when it opened in 1968. The same firm has been working with HUD and appears to be near a contract agreement to operate their new [REDACTED] care center (Tab L).

If there is sufficient interest to warrant further consideration of a day care center, one of the first major obstacles will be the availability of suitable space. A review of Headquarters building space indicates that the building is fully occupied and that there is a list of space requirements that already exceeds 70,000 square feet. It is estimated that if a separate building were constructed on Agency property for a day care center it would cost approximately \$336,000. A summary of estimated costs, a rough drawing of a building with four classrooms and a sketch of a proposed site are attached (Tab M).

A possible alternative for space has been offered by the Immanuel Presbyterian Church which is adjacent to the Agency Headquarters compound. They have a two-story building with five classrooms. It is currently being used by the Dolly Madison Pre-school on a half day basis during the school year. There is a possibility that a combined or shared program could be developed depending upon the interest of Agency parents.

3. Staff Position: The subject of the Government providing day care is a controversial one with strong feelings held on both sides (Tab N). Those who oppose Federal funding believe that any national program would be too costly, intrude on states' rights and give the Government too large a role in the rearing of the nation's children. They contend that most women do not want their children in day care centers, preferring more informal arrangements closer to home. Furthermore, they conclude that the current national supply of day care for preschool children is approximately adequate to current demand, although disparities may exist at the local level.

This controversy at the national level has tended to complicate the issue for Federal agencies considering day care centers for their own employees. There is no clear and safe path to follow and agency heads have had to push their administrative authority to its fullest extent to make centers possible. The General Counsel of the General Accounting Office (GAO) determined in July 1976 that expenditures of current appropriations for expenses associated with the establishment of a GAO day care center would be proper if operation of the center was determined to be necessary to recruit or retain staff or to maintain morale and hence, productivity. However, recognizing that the matter

is not free from controversy, the GAO General Counsel believed that substantial expenditures for this purpose should be set out in their budget presentation and made known to appropriation committees (Tab O).

It seems clear from the experience of other Federal agencies that the initial use of appropriated funds is essential to a successful program (Tab P). In the cases of HEW and Labor, day care centers were established and operating before they were turned over to parent groups for continuing operation. The parents have taken a more active role in the NIH and HUD centers but appropriated funds were necessary for the renovation and construction of their centers. In all four cases it appears that the centers do not have sufficient financial resources and support to continue operation if they are charged rent, utilities and maintenance. The final outcome of the draft OMB circular on charges for space is, therefore, of utmost significance to any consideration of day care centers (Tab Q).

Another factor which is crucial to the establishment of a day care center is the degree of employee interest and willingness to work on the project. This was particularly evident at NIH and HUD where employee pressure and voluntary effort led to the formation of various study groups and eventually to actions taken by the respective Secretaries. The involvement of parents became increasingly important as the current trend developed to make these centers self-sustaining.

In order to determine the interest and support of employees, meetings and group discussions should be held. If existing day care centers are not considered adequate by Agency employees, a strong interest in an Agency center should become evident. The Agency Women's Program would provide the best forum for initial discussions. Directorate representatives could be briefed and then hold meetings with their respective offices. This could be followed by a general meeting in the Headquarters Auditorium where interested male employees would also have the opportunity to participate. Based upon these meetings an employee survey similar to the attached NIH and Social Security surveys could be developed (Tab R). It would not appear necessary to employ an outside firm during the initial discussion and survey stages.

If sufficient employee interest and support is found, there will be a need for a professional day care specialist to lead in the planning and organization stages. There are many questions to be answered and detailed State and Federal regulations that must be satisfied. It would be to the advantage of

the Agency to hire a specialist, such as Miss Burke of NIH, and assign the individual to the Office of Equal Employment Opportunity. This would ensure closer control of the program, which is necessary for security reasons, and it would associate the program with a compatible activity. If this is not possible, it will probably be necessary to contract with a private firm.

The question of space should be left open at this time. It does not appear that an employee organization could borrow or repay the estimated \$336,000 required to construct a separate day care center building. There is, however, the possibility that suitable arrangements could be made with the Immanuel Presbyterian Church for the space they have or that approval could be obtained for the use of appropriated funds.

It is concluded that a CIA Day Care Center would be feasible at this time provided that a determination of strong employee interest and support is made. The General Counsel of GAO has been of the opinion that appropriated funds could be used under certain circumstances to construct or alter an existing building and operate and maintain a day care center, if the appropriate determination is made that such a center will enhance the morale of employees and contribute significantly to the performance of the organization's assigned mission. This determination has been made at HEW, DOL, NASA, NIH, HUD and Agriculture. We would not expect our situation to be different. There remains, however, the position taken by President Carter during early 1977 in opposition to Federal day care centers and the unresolved question of the draft OMB circular on charges for space. If the President is still opposed and the OMB circular is implemented in its present form, the feasibility of a day care center for CIA employees is greatly diminished. The interest and resolve of Agency employees would then have to be strong enough to overcome the funding problems involved in the construction and maintenance of space as well as the planning, organization and operation of a center.

4. Recommendations: It is recommended that the following course of action be taken with respect to consideration of a CIA day care center.

- a. Advise the Director that a CIA day care center is considered feasible at this time.
- b. Request that the OEEO, Federal Women's Program review this study, hold appropriate meetings, and work with the Day Care Committee in the development of an employee survey to determine the degree of interest in a CIA day care center.

- c. Assign responsibility to the Day Care Committee to analyze the employee survey results and to develop recommendations regarding the next course of action.



Attachments

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**ROUTING AND RECORD SHEET**

SUBJECT: (Optional) CIA DAY CARE CENTER STUDY

FROM: Director of Personnel  
 [Redacted] Headquarters

EXTENSION NO.

DATE 3 MAR 1978

TO: (Officer designation, room number, and building)  
 EC/DDA

DATE 3/6  
 RECEIVED FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Deputy Director for Administration  
 [Redacted]

Attached is a report of the Day Care Study and a proposed memorandum to the Director stating plans for further action.

[Redacted] is a member of the Day Care Committee and has prepared a draft OGC opinion on the subject which is being reviewed by [Redacted]. In its present form, the opinion supports our conclusions.

[Redacted]  
 F. W. M. Janney

Atts

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